US House of Representatives Committee on Agriculture Subcommittee on Conservation, Credit, Energy, and Research Room 1300, Longworth House Office Building Washington, DC 20515

Testimony on the Regulatory and Legislative Strategies in the Chesapeake Bay Watershed by:

James Curatolo, Watershed Coordinator, Upper Susquehanna Coalition

I am the Watershed Coordinator for the Upper Susquehanna Coalition. I write proposals and develop programs to promote the ability of Conservation Districts to work on a watershed scale. The Coalition is composed of the 16 County Soil and Water Conservation Districts in NY and 3 County Conservation Districts in PA that cover the Headwaters of the Susquehanna River and the Chesapeake Bay. Its mission is to protect and improve water quality and natural resources in the Upper Susquehanna River Basin with the involvement of citizens and agencies through education, partnerships, planning, implementation and advocating for our water resources. The Coalition formed in 1992 and I was hired as Coordinator in 1996. We implement agricultural practices, rehabilitate streams and restore wetlands. The following testimony contains my own opinions and views.

I bring a county-based watershed perspective on how to best develop strategies that support Agricultural sustainability and maximize nutrient and sediment reductions to the Chesapeake Bay. I would like to address several major themes that run through the Chesapeake Bay Program, President Obama's Chesapeake Bay Protection and Restoration Executive Order, The Farm Bill, and the proposed Chesapeake Clean Water and Ecosystem Restoration Act of 2009 (S. 1816, H.R. 3852). This legislation gives us 16 more years to get the mechanisms in place to restore water quality throughout our region. If this bill and subsequent Farm Bills can get us more resources to build our capacity to provide technical assistance, we should be able to get the job done.

Let me begin with "Deliver programs most effectively" from the Executive Order:

"Technical assistance is an essential ingredient in delivering conservation programs effectively. We will develop a coordinated plan to assess technical assistance capacity across the partnership and identify and create strategies to fill technical gaps to ensure success of this effort. ... We will also explore new ways to develop local capacity, taking into account innovative approaches for delivering assistance, opportunities to build third-party capacity, and the need to reach out to landowners who may not have traditionally participated in conservation programs. As we broaden and strengthen the traditional conservation partnership, these local advocates will help to leverage the interest and participation needed to accelerate the application of conservation on the ground";

and S. 1816/H.R 3852: "give preference to cooperative projects that involve local governments".

I suggest the paradigm for such an approach is the Upper Susquehanna Coalition (USC). The USC works under a simple Memorandum of Understanding where the Districts agreed to work on watershed issues in the Chesapeake Bay Headwaters, and to the degree possible, without regard to county boundaries. And to answer the question now: funds from NY stay in NY, funds from PA stay in PA, but federal funds for the Bay go to wherever the best project is located.

The USC, being a coalition of Conservation Districts, houses the local agricultural professionals that implement Best Management Practices on farms. By taking a watershed approach we have developed an integrated network where a State or Federal agency can sit down and talk with people from an entire Basin on an issue. Our integrated, networking abilities were championed by the NY State Department of Environmental Conservation when it gave the USC the task of writing the agricultural portion (as well as the other nonpoint chapters) of its original Tributary Strategy for the Bay and as well as future implementation plans. We are a one-stop shop for getting nonpoint messages out to watershed residents.

A Conservation District person is frequently the liaison between the state and federal agencies and the farmer: she or he is the one that helps them through the increasingly complex maze of farming bureaucracy. District staff don't have "a regulatory bone in their body" and maybe that is why they can, like no other entity, reach out and be trusted by farmers. We have had great success helping the "nontraditional" farmers by teaching how to install practices rather than paying for them. For example, we bought a post pounder for our Grazing Specialist, Troy Bishop, and he held a fence building workshops on Amish farms. They ended up buying their own pounder and the cows are now out of the streams and grazing where they should be. Troy is always welcome on their farms. Helpful Hint: If you have the opportunity to go on a farm tour be sure to go stand next to the person wearing the District cap when everyone piles out of their vehicles.

When you organize Districts by watershed you have an efficient delivery system to complement federal and state approaches. The USC covers 12% of the Bay Watershed. Seven more similar sized coalitions would cover the entire Basin. Even a few more strategically located in high agricultural areas would be tremendously helpful. We have spent the last 18 years perfecting the approach and will gladly provide all of our lessons learned to help other coalitions form.

And since there is a great need to help build capacity and capability at the local level I suggest that a direct funding mechanism for Districts be included in a future Farm Bill similar to what is described in the Chesapeake Bay Restoration Act. I believe Conservation Districts are the local partner you want; it will be the most cost effective use of money you can find. *Comparison Shop: In the NY Chesapeake Bay headwaters you can get almost all District Technical support for \$34 per hour.*

Second I would like to discuss "Targeting funds to Priority Watersheds", a tremendously important approach that will drive the entire Bay cleanup.

Everyone agrees that the best use of the limited funding that is available is to reduce the maximum amount of nutrients and sediment for the least amount of dollars. That is the End Game. The strategy of choice is targeting watersheds for funding. There is a great desire to "focus in" on small areas where many good projects can be done, its the "Targeting Priority

Watersheds" approach. Computer models estimate where the nutrient loads originate and high loading watersheds are selected. The EPA Bay Program and the USDA have almost completely gone to this approach. You can see a myriad of maps with "Priority Watersheds" delineated based on computer models. These computer models are actually fairly good; however, they do not designate watersheds with "leaky farms" as high priority and watersheds having "clean farms" as low. To the computer all the farms are basically the same. The model is highlighting watersheds with more farms per square mile that cumulatively deliver the most nutrients. However we do not implement at the watershed level. To implement we drive up to a single farm and begin identifying Best Management Practices. At that level there are many farms in the lower priority watersheds that have exactly the same potential for nutrient reduction as the high priority watershed farms. Exactly the same or even better. Just not as many. But the need to target has disenfranchised those farms from participation. So the next time you see a priority map look at the white areas. Those are the areas where farms are not allowed to participate for funding. But they are still going to be under the same TMDL regulations.

There a simple solution that I believe is most efficient. Let us "target" instead two things:

- the farm that has a willing landowner and nutrient imbalance that we can address, and
- the computer model agrees that the practices we select on this farm will be most cost effective.

The results after we place all our red dots on a map for farms where efficient nutrient reduction measures were implemented will look quite similar to a priority watershed map (it should, as the computer was telling us where most of the farms are) but with two important differences.

- There will be a scattering of red dots where we were able to work on all of the High Priority Farms, and everyone was "in the game".
- We had a truly watershed-based approach where every Member of Congress can go home to his or her District and say "you all are eligible to get implementation money but we are starting with the highest priority farms and practices that we can scientifically show will give us the most reductions to the Bay. Every farmer will agree this is a truly democratic and cost effective approach. There is no disenfranchisement. I reviewed the S. 1816/H.R 3852 and this bill allows for all stakeholders to participate.

And as a grant proposal writer and seeker of funds for the past 37 years I can guarantee you when funds are dedicated only to a small portion of the watershed the good projects will be done first and the second tier of lower-value projects will get funded out of necessity spend the funding. You will not maximize your implementation dollars. Part of a watershed approach is to keep farming sustainable and environmentally friendly and to ensure that we have a functioning area-wide infrastructure. If only certain farming areas (the geographical targeting approach) are subsidized it could lead to loss of farms in other areas ultimately causing infrastructure to disappear; getting that system back up and running is very difficult.

A third strategic topic is supporting "innovative practices". I suggest that it is indeed critical that we continue to add to our toolbox. However the objective of developing "innovative" practices is to shake out those that will become "Tried and True" and have a lasting and important benefit. Much of the competitive funding proposals solicited from EPA and USDA now needs to be "innovative". I suggest the agencies provide funding for high quality practices

that a farmer needs while adding to the innovativeness.

Innovativeness is good. The USC, Cornell University and Cornell Cooperative Extension have developed some tools to help a farmer reduce costs. Cornell developed a simple mass balance calculator that farmers can use to calculate nutrient inputs and outputs. Interestingly we have found that over several years of use on a farm the mass balances get more "balanced" and we believe the farmers are reviewing data in a different way and they see places for savings. And we have taken that concept one step further by developing a series of benchmarks for dairy farmers, who can quietly, at their own kitchen table, measure themselves against a "standard" to see if they can do better and reduce their costs (one benchmark example is home grown feed as a percent of diet -- it should be at least 60% to ensure cost effectiveness).

Lastly, I want to support the need for good, high quality data so we can track all the good practices that we have installed. High quality data is needed for computer modeling to support watershed planning; it will ensure that we target the right practices. The Chesapeake Clean Water and Ecosystem Restoration Act of 2009 does an excellent job of walking that fine line between confidentiality and data needs. To further assess farm operations I suggest that one look at NY State's Agricultural Environmental Management Program (http://www.nys-soilandwater.org/). This entire voluntary Program uses a simple yet sophisticated farm assessment approach that aids the farmer and his planner in determining how to reduce both his costs and his nutrient loading by helping identify where a problems may exist on the farm.

STATEMENT OF QUALIFICATIONS

James A. Curatolo

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Education:

B.S., Zoology, 1971. State University of New York, College of Forestry, Syracuse University.

M.S., Wildlife. Management, 1975. University of Alaska, Fairbanks. Thesis Title: Factors influencing local movements and behavior of barren-ground caribou (*Rangifer tarandus granti*).

Experience:

Watershed Coordinator, **The Upper Susquehanna Coalition**, Owego, New York (1996 - Present). I am responsible for developing an overall strategic plan for the Coalition that focuses on implementation of best management practices and education of watershed residents. I am responsible for monitoring contracts, grant writing, networking with other water quality organizations and for providing expertise on water quality issues to the 19 member counties in the organization.

Ecologist, The Nature Conservancy, Lower Hudson Chapter, Katonah, New York (1992-1994). My responsibilities were to design and conduct biological research relating to rare species that are of interest to The Nature Conservancy. My focus was on Blanding's Turtle population dynamics in Dutchess County, riverine ecology on the Neversink River in Orange and Sullivan Counties, with special emphasis on freshwater mussels and developing conservation plans for all preserves in the Chapter.

Program Coordinator, Aquatic Vegetation Control Program, Schuyler County, New York, (1988-1992). I was responsible for proposal writing, research and monitoring, overall program management and report writing. The vegetation control program consists of three major components: aquatic vegetation harvesting, water quality research and installation of best management practices in the uplands.

Principal Investigator, Central Arctic Herd Caribou Studies, Kuparuk and Prudhoe Bay Oilfields, Alaska, (1981-1985). I conducted nine different studies over a period of five years that assessed caribou behavior in the oilfields and their distribution and movements. These data were used to evaluate and recommend mitigative strategies to lessen development impacts. One highlight of these projects was a cooperative effort with state and federal agencies in the first satellite-assisted telemetry study of caribou movements.

Principal Investigator, Baseline **Terrestrial Mammal Investigations**, **Point Thompson**, **Alaska**, (1983). I designed and conducted aerial surveys for caribou, muskox, and other mammals to assess the problems of potential oil and gas development in the region.

Principal Investigator, Aquatic Furbearer Habitat Survey, Stikine River, Alaska, (1980). I researched beaver and muskrat habitat in southeast Alaska. Wetland habitats and preferred food items of these species were evaluated as they related to den site selection.

Research Biologist, **Peregrine Falcon Surveys, Interior Alaska**, (1978-1980). I censused peregrine falcon populations and banded nestlings on the Yukon and Porcupine rivers.

Project Leader, Big Game Investigations, Brooks Range, Alaska, (1973-1976). I conducted a grizzly bear radio-telemetry study to determine home range, habitat use, and population dynamics. I also surveyed (ground and aerial) the Porcupine Caribou Herd to determine composition, movements, and productivity. The data from

these studies were used to determine the potential for impacts along several potential gas pipeline routes through the Arctic National Wildlife Range.				
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